(b) if so, whether the inspection has been completed; and

(c) if so, the complete details in this regard and the action taken or proposed to be taken against the company for violations/ manipulation?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) Yes, Sir, the inspection of books of accounts of M/s. Educomp Solutions Limited was ordered under Section 209A of the Companies Act, 1956.

(b) and (c) The Inspecting Officer appointed under Section 209A of the Companies Act, 1956 has submitted the Inspection Report and the same is under examination.

Operation of International Financial Reporting Standards

1653. SHRI RAJEEV CHANDRASEKHAR: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether India has set a deadline to operationalise International Financial Reporting Standards (IFRS);

(b) whether more than 15,000 companies in almost 100 countries have adopted IFRS, including listed companies in the European Union;

(c) whether Government has taken initiatives to convert the existing accounting systems in public sector undertakings to IFRS; and

(d) if so, the progress made in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) Yes, Sir. As per existing policy, the convergence of Indian Accounting Standards with the International Financial Reporting Standards (IFRS) is expected to be enabled by April, 2011.

(b) The Government is not maintaining any data in this respect.

(c) and (d) The Government has adopted the approach of convergence with IFRS, keeping in view the requirements relevant to Indian conditions and to enable Indian companies including public sector undertakings and regulatory bodies to transition to the new system smoothly. In pursuance of this approach, Government has notified the Companies (Accounting Standards) Rules, 2006.

Vanishing companies

1654. SHRI AMIR ALAM KHAN: Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether Government has any mechanism to monitor fraudulent activities of various finance, plantation, corporate houses, builders and other such companies that have cheated the public worth thousands of crores of rupees over the last few years and have vanished;

(b) if so, the details thereof;

(c) the number of such companies inspected by Government during the last three years; and

(d) the action proposed by Government in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) and (b) Ministry of Corporate Affairs administers only those companies which are registered under the Companies Act, 1956. In addition to the various provisions of the Act, applicable in this context, a central Coordination and Monitoring Committee (CMC), co-chaired by Secretary, Ministry of Corporate Affairs and Chairman, SEBI has also been set up to look into issues relating to companies that had come out with public issue and vanished and to monitor the progress of action taken against them. Specific criteria have been adopted for identification of such vanishing companies.

(c) On the basis of above criteria, no company that had raised funds from public through public issue has been identified as "vanished" during the last three years.

(d) Does not arise in view of reply to (c) above.

Powers to ICAI

1655. SHRI N. K. SINGH:
DR. JANARDHAN WAGHMARE:
Will the Minister of CORPORATE AFFAIRS be pleased to state:

(a) whether, in view of sensational revelations of financial irregularities in Satyam Computer Services Ltd., the Institute of Chartered Accountants of India (ICAI) has sought more powers to prevent such frauds;

(b) if so, the details thereof;

(c) whether the chartered accountants, registered with the Institute would be held responsible if the frauds/financial irregularities are detected from the accounts of the corporates; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CORPORATE AFFAIRS (SHRI SALMAN KHURSHEED): (a) and (b) No such proposal has been received in the Ministry of Corporate Affairs.

(c) and (d) The Chartered Accountants registered with the Institute of Chartered Accountants of India associated with corporates in the capacity of Statutory Auditors/Internal Auditors or in any other professional capacity are liable for action under the provisions of section 21 and 22 of the Chartered Accountants Act, 1949 and the rules framed thereunder, if they fail to point out the irregularities in their Audit Report or on being found guilty of a professional or other misconduct mentioned in the First or Second Schedule of the Act.

Projects sanctioned under NLCPR

1656. SHRI MATILAL SARKAR: Will the Minister of DEVELOPMENT OF NORTH EASTERN REGION be pleased to state: